



COUNTY OF LOS ANGELES

Child Support Services Department



Philip L. Browning
Director

February 24, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST FOR APPROVAL OF SUPPLEMENTAL INVOICE FOR PAYMENT
PROCESSING ACTIVITIES PURSUANT TO CONTRACT NUMBER 73158 WITH
ACS, STATE AND LOCAL SOLUTIONS, INC.**

**ALL DISTRICTS
(3 – Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chair to authorize payment in the amount of \$47,029.75, fully funded by federal and State subvention, with no County cost, to ACS, State and Local Solutions, Inc., for performing banking and court trustee services to the Department in excess of the anticipated volume of 2,760,000 for the period of November 28, 2001 through November 27, 2002, the first option year of the agreement. Services exceeded the anticipated volume by 49,505, with compensation at the rate of \$0.95 per transaction for activities exceeding the estimated annual levels, as provided for in contract number 73158.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The vendor ACS, State and Local Solutions provides payment processing services. Due to the nature of this service, the vendor and the Department anticipated exceeding the contracted yearly volumes. Therefore, the agreement was written to include a

provision for this occurrence, with payment of \$0.95 for every transaction in excess of the contracted volumes.

The current agreement is for an initial one-year period with two 12-month optional renewals. The annual volume for payment processing transactions for the first option year was estimated at 2,760,000. The vendor has completed 2,809,505 payment processing activities, exceeding the anticipated volume by 49,505. The Department is requesting that the Board, pursuant to the agreement, approve a one-time payment of \$47,029.75 for the excess transactions.

FISCAL IMPACT/FINANCING:

Funds to pay this invoice are available in the Child Support Services Department budget. Costs are fully funded by federal and State subvention throughout the term of the contract. There is no County cost.

FACTS AND PROVISIONS:

The Department entered into an agreement with Lockheed Martin IMS Corporation, (which subsequently became ACS, State and Local Solutions, Inc.) on November 28, 2000. The contract is for one initial 12-month period with two additional one-year option renewals. The contract provides that all transactions in year two in excess of 2,760,000 will be billed at the end of the year, at the rate of \$0.95 per transaction. For year two, ACS, State and Local Solutions, Inc. processed a total of 2,809,505 in payment processing transactions. This amount exceeds the anticipated transactions by 49,505, which yields a total payment amount of \$47,029.75. Therefore, it is necessary to request that the contractor be compensated for the additional work performed. ACS, State and Local Solutions, Inc. has submitted a supplemental invoice requesting payment for services performed which exceeded the anticipated volumes as specified in the contract. Pursuant to the current contract, Section 2.4, Compensation for Payment Processing states, "The Contractor cannot be paid for any transactions in excess of the annual amounts stated, unless or until the Board of Supervisors approves the additional spending authority."

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IMPACT ON CURRENT SERVICES (OR PROJECTS):

There will be no impact on current services as the option year with ACS, State and Local Solutions, Inc. is currently being exercised.

CONCLUSION:

Instruct the Executive Officer-Clerk of the Board to send an executed copy of authorization for payment of the attached invoice to Child Support Services Department, Contract Management Division, 5770 S. Eastern Avenue, Commerce, CA 90040, Attention Elisha Gardner at (323) 889-3414.

Respectfully submitted,



Philip L. Browning
Director

ad

Attachment

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel
Auditor-Controller



INVOICE

Invoice No: 123211005

Invoice Date: December 05, 2002

RECEIVED

DEC 06 2002

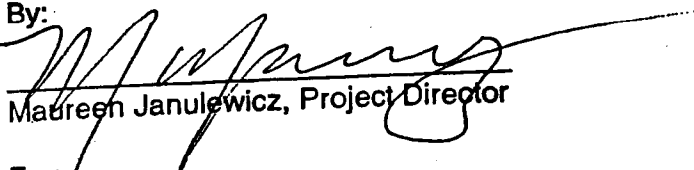
Ms. Elisha Gardner
Contract Management Section
County of Los Angeles Child Support Services Department
5770 South Eastern Avenue
Commerce, CA 90040

Contract Number: 73158 Fiscal Agent Services

In accordance with Contract Section 2.4, Compensation for Payment Processing, Contractor shall bill County for excess transactions at the end of the Contract year. The following summarizes the actual and excess payment processing transactions for contract year two:

Actual annual payment processing transactions year two (2):	2,809,505
Contractual payment processing transactions year two (2):	<u>2,760,000</u>
Amount of excess transactions year two (2):	49,505
Rate per excess transactions year two (2):	\$0.95
Total Due:	\$47,029.75

By:


Maureen Janulewicz, Project Director

For:

Michael Long, VP/Controller

(Special Handling - Call (323) 838-7505 for pickup-do not mail)

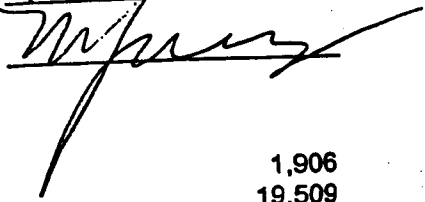
Please Make Payments to:

ACS, State and Local Solutions, Inc
Attn: Accounting - Ms. Lucy Adams
1200 K. Street N.W., 12th Floor
Washington, DC 20005

Performance Tracking System Monthly Report November 2002

Date:

Approved By:

12/5/02


TOTAL TRANSACTIONS

Payment Processing
Scannables

EFT Payments
Non-Scannable Payments
Unidentified Payments
ERU Payments
ERU Noticing
Payment Releases Identified
Payment Releases Unidentified
DPSS Recoupment
Exception Payments
Telephone Calls
Lost Warrants
EFT Direct Deposits
Employer/IVD EFT
Outgoing Mail
Total

1,906
19,509

142,001

8,732
22,073
6,068
4,663
221
892
9,313
8,348
1,246
0
4

1,507

226,483

Customer Service
Incoming Mail
Case Audits
Court Related Documents
Payment Histories
Court Orders/Modifications
Address Updated
Employer Financials
Total

14,355
0
0
277
0
11,892
8,314

34,838

Court Support
Testimony Hours
Cashiering Hours

6
447

Fiscal Agent Services Monthly Transactions

	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Average	Total	230
A. Payment Processing															
Scannings	15,356	19,414	763	18,841	19,438	17,907	17,628	3,252	3,654	6,704	3,110	1,908	1,656	19,877	19,877
EFT Payments	135,510	135,732	130,172	145,252	149,841	150,038	146,486	21,204	20,064	21,829	21,057	19,509	18,072	228,861	228,861
Non-Scannable Payments	8,670	10,364	10,592	10,057	8,936	9,786	9,263	9,467	152,878	141,948	161,596	142,001	145,292	1,743,504	1,743,504
Unidentified Payments	23,046	24,463	22,187	23,126	21,799	25,378	21,804	21,770	22,148	19,207	25,394	22,073	22,701	272,413	272,413
ERU Payments	4,667	5,412	5,912	6,794	6,014	6,150	4,711	6,189	7,675	6,091	7,327	6,068	6,084	73,010	73,010
ERU Noticing	3,590	3,983	3,360	3,156	5,124	6,046	5,354	6,314	5,556	5,157	5,746	4,663	4,837	58,039	58,039
Payment Releases Identified	3,052	3,097	3,202	3,061	2,003	1,786	2,037	1,918	1,778	1,564	983	721	2,059	24,702	24,702
DPSS Recoupment	864	524	640	776	999	1,068	1,071	1,175	1,025	1,120	1,174	892	927	11,128	11,128
Exception Payments	5,925	6,045	5,737	6,072	7,779	7,820	7,795	7,531	8,286	7,905	9,989	9,313	7,515	90,176	90,176
Telephone Calls	10,001	10,881	9,564	10,127	11,036	10,546	10,072	11,231	11,765	10,462	10,723	8,348	10,408	124,878	124,878
Lost Warrants	1,017	968	937	969	1,186	960	1,059	1,248	1,104	1,288	1,137	1,246	1,101	13,208	13,208
EFT Direct Deposits	21	37	286	245	136	46	20	83	36	21	287	4	103	1,234	1,234
Employer/MD EFT	2,815	2,884	2,694	3,527	3,443	3,738	3,490	3,759	2,331	2,103	2,276	1,507	2,635	34,017	34,017
Outgoing Mail	215,324	223,904	212,660	232,023	237,753	240,843	230,782	247,167	248,164	233,462	260,561	228,463	234,135	2,800,505	2,800,505
B. Customer Service															
Incoming Mail	92,186	74,972	98,671	26,160	41,621	18,889	18,574	25,459	19,143	22,963	19,252	14,355	38,104	488,245	488,245
Case Audits	16	26	25	32	16	7	5	5	1	50	94	277	1,834	142	142
Court Related Documents	2,457	2,597	1,920	2,235	2,576	2,853	2,604	2,563	1,765	2,418	2,786	11,892	18,750	22,011	22,011
Payment Histories	17,390	14,002	9,359	13,958	37,344	14,160	10,104	21,505	25,533	24,018	25,786	11,892	13,373	223,001	223,001
Court Orders/Modifications	13,458	19,516	18,601	20,747	19,585	21,411	13,650	4,298	6,478	6,795	7,618	8,314	18,750	160,471	160,471
Address Updated	125,477	111,116	126,576	62,132	101,142	55,300	44,837	63,630	52,838	53,846	52,740	34,638	73,073	876,672	876,672
Employer Financials	5	6	0	6	13	9	10	0	0	4	0	6	5	59	59
C. Court Support															
Testimony (Hrs.)	510	557	461	521	567	553	504	552	564	540	549	447	528	6343	6343
Cashiering (Hrs.)															